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In re: : UNITED STATES BANKRUPTCY COURT
SHAPES/ARCH HOLDINGS L.L.C., et : FOR THE DISTRICT OF NEW JERSEY
al. : CHAPTER 11
: :
Debtors. : CASE NO. 08-14631
: (Jointly Administered)

Hearing Date: March 30, 2009 at 10:00 a.m.

DEBTORS' RESPONSE TO COURT'S NOTICE OF INTENTION TO
CLOSE CASES PURSUANT TO LOCAL RULE 3022-1(a)

Shapes/Arch Holdings L.L.C. and its related debtor entities (collectively, the “Debtors”)¹ and the reorganized debtors hereby submit this response (the “Response”) to the Court’s Notice of Intention to Close Cases Pursuant to D.N.J. LBR 3022-1(a) (the “Notice”) as follows:

1. On March 16, 2008 (the “Petition Date”), the Debtors filed their respective petitions for relief under Chapter 11, Title 11 of the United States Code (the “Bankruptcy Code”).

2. These cases are being jointly administered pursuant to this Court’s Order of March 18, 2008 under the lead debtor “Shapes/Arch Holdings L.L.C.”²

¹ In addition to Shapes/Arch Holdings L.L.C. (“Shapes/Arch”), the following entities, all of which are wholly owned subsidiaries of Shapes/Arch, also filed petitions on the Petition Date (defined below): Shapes L.L.C. (“Shapes”); Delair L.L.C. (“Delair”); Accu-Weld L.L.C. (“Accu-Weld”); and Ultra L.L.C. (“Ultra”).

3. No trustee or examiner has been appointed in these cases.
4. An official committee of unsecured creditors (the “Committee”) was appointed on March 31, 2008, and was active in these cases through the Effective Date (defined below).
5. The Court confirmed (the “Confirmation Order”) the Debtors’ Third Amended Joint Plan of Reorganization (the “Plan”) effective as of July 22, 2008. The Third Amended Plan became effective on August 8, 2008 (the “Effective Date”).
6. Pursuant to the terms of the Confirmation Order, Steven Sass was appointed as the Class 10 Liquidation Trustee (the “Liquidation Trustee”).
7. The Debtors have completed their administration of these cases, would request that all of the cases be closed on or before March 31, 2009, except for the Liquidation Trustee’s request to have one case remain open.
8. On March 23, 2009, pursuant to Section 11.6(a) of the Plan, the Debtors provided the Case Closing Notice to the Liquidation Trustee and other parties in interest, informing them that the Debtors have performed all of their duties necessary to substantially consummate the Plan.
9. Upon information and belief, the Liquidation Trustee has not completed his administration of the cases. Pursuant to Section 11.6(b) of the Plan, because the Liquidation Trustee requires that one or more of these cases remain open, the Quarterly Fees incurred beginning April 1, 2009, through closing of these cases, should be paid solely by the Class 10 Liquidation Trustee from the assets of the Liquidation Trust.

² In addition to Shapes/Arch Holdings L.L.C. (“Shapes/Arch”), the following entities, all of which are wholly owned subsidiaries of Shapes/Arch, are the Debtors in these Chapter 11 Cases: Shapes L.L.C. (“Shapes”); Delair L.L.C. (“Delair”); Accu-Weld L.L.C. (“Accu-Weld”); and Ultra L.L.C. (“Ultra”).

10. Based upon discussions with the Liquidation Trustee, the Debtors understand that the Liquidation Trustee will request that the Court close the following Debtor cases: Shapes (case no. 08-14632), Ultra (case no. 08-14633), Delair (case no. 08-14634) and Accu-Weld (case no. 08-14635) prior to the end of March, 2009, to avoid additional quarterly fees.

11. The Debtors further understand that the Liquidation Trustee will request that the Court not close the remaining case (Shapes/Arch (case no. 08-14631)).

12. The Debtors do not oppose the Liquidation Trustee's request so long as the Liquidation Trustee is responsible for quarterly fees after March 31, 2009, pursuant to Section 11.6(b) of the Plan.

13. Notice of this Response has been provided to: (a) counsel for Arch, (b) counsel for the Liquidation Trustee, (c) the Office of the United States Trustee, and (d) all parties on the Master Service List. In light of the nature of the relief requested herein, the Debtors submit that no further notice is necessary.

WHEREFORE, the Debtors respectfully request that the Court: (a) enter the proposed Order submitted herewith, and grant such other and further relief as is just and proper.

Dated: March 23, 2009

COZEN O'CONNOR, P.C.

By: /s/ Jerrold N. Poslusny, Jr.
Mark E. Felger
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